

**Northwest Indiana Regional Development Authority
Application for Financial Support**

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Applicant: Lake Porter Regional Bus Authority

Contact Person: Dennis C. Rittenmeyer, Ph.D., President
Regional Bus Authority
c/o Calumet College of St. Joseph
2400 New York Avenue
Whiting, In. 46394
219/473-4333
Email: drittenmeyer@ccsj.edu

Alternate: Belinda Petroskey
NIRPC Transportation Planner
6100 Southport Road
Portage, In. 46368
219/763-6060 ext. 132
Email: bpetroskey@nirpc.org

Applicant's legal status: IC 36-9-3-2(c), which specifies membership and responsibilities; and
IC 36-7.5., which changes the name to RBA, allows for Porter County representation, and specifies that the RBA is eligible for funding through the Regional Development Authority

Project Description

The overall project that relates to this application is the creation and operation of a system of regional public transit that includes interconnected access among commuter rail, air, bus and demand response modes. This application represents the second step in moving toward that goal. The first step was the RBA request for local matching funds for the regional bus study.

The Lake and Porter Counties Regional Bus Authority is requesting a grant of \$300,000 over two years to build administrative capacity in order to fulfill the authority's responsibilities as described in IC 36-9- 3-2(c). The RBA needs to have the management capacity to conduct its business. The RBA has never had paid staff to tend to the necessary details of formally organizing and operating as the statutorily formed Regional Bus Authority. The RBA differs from the Gary Chicago Regional Airport and the Northern Indiana Commuter Transportation District (NICTD) as they are established agencies with long - term sources of funding for administration. For the RBA, the RDA is being asked to create two new things – the agency itself and the new service.

This proposal is for a two-year administrative budget of \$ 300,000. The funds would provide for the cost of office rental, shared reception and secretarial functions, and contracting for up to 24 months with a transit professional to oversee the regional bus study and implementation of the recommendations, including permanent funding and staffing of the RBA.

Economic Impact Statement

The economic benefits for the improvement of Bus and Demand Response Transportation Service accrue in the following ways:

- **Improvement of Mobility** – The availability of high quality public transit allows the region's residents choices for making trips for all purposes. For those who do not have access to a car for reasons of age, disability or income, transit reduces dependence on others, increases access to jobs, and allows choice for shopping and medical needs.
- **Reduction of Congestion** – The availability of transit can reduce the number of cars burning expensive and polluting imported fuel on the region's crowded roadways. Because Northwest Indiana is included in the Chicago Consolidated Metropolitan Area, independent statistics on the costs of congestion for the region are not available. In Indianapolis, where comparable statistics are available, bus and demand response transit save each person over \$130 each year in congestion costs. Congestion costs are defined as the dollar value of the added time all drivers would face if all transit trips were made by autos.
- **Improvement in Efficiency and Effectiveness** – One of the major objectives of the regional bus study is to determine if there is a better way to use existing resources to improve and expand public transit in northwest Indiana. One result of the lack of good public transportation is the duplication of transportation expenditures for social service agencies.
- **Local Purchase of Labor and Services** – Currently \$14 million is spent locally each year to provide bus and demand response public transportation, excluding that spent by social service agencies. The impact of these expenditures on the economy provides a benefit in excess of \$50 million per year. With thoughtful and effective phased expansion this impact can only grow.

In 2005, the RBA had Policy Analytics of Indianapolis evaluate the economic impact of optimizing transportation in Northwest Indiana. The report, which evaluated the combined effects of improving bus and demand response service and new commuter rail service Lake and Porter Counties found that public transportation investment would:

- Create 4,900 new jobs in Lake and Porter Counties by 2020
- Create an annual \$720 million in increase economic output
- Create an annual \$277 million in disposable personal income
- Increase population by 5,000 more than natural growth by 2020

In addition these benefits would continue to accrue into the future.

Quality of Life Statement

Public transit's contribution to a high quality of life has been documented in research funded by the Federal Transit Administration and reported by the Transportation Research Board. Special emphasis in the research over the past few years has been on access to jobs and impacts on the rate of poverty, rural transit and public health impacts, and public transit and its impacts on senior citizens. Summary material referencing these findings and reports was submitted as an attachment to the RBA's application for local matching funds.

Funding Request and Financial Analysis

Total project cost:	\$300000
RDA funds requested:	300,000
Total from other sources:	0

- This two - year grant would provide for professional staff assistance and office space for the RBA. The proposed staff position would be on a contract basis.
- There are no others sources of funding.

Administrative Timeline	
Period Starting	Task
4/1/06	Execute contract with NIRPC, engage professional services
4/1/06 to 12/1/06	Oversee and assist consultant with regional bus study
11/15/06	Presentation To RDA of RBA Strategic and Operations Plan
1/1/07	Prepare Operations and Support Budget for RDA approval
1/07 to 1/08	Develop/implement administrative funding scheme for RBA
1/08 to 4/08	Facilitate RBA transition to full time staff

Supporting Materials

A. Previously submitted materials for local match application also support quality of life statement for this application

B. Statement of Relationship to Other Existing or Proposed Economic Development Projects.

A comprehensive approach to public transit in northwest Indiana will interconnect the Gary Chicago International Airport, the South Shore, new commuter rail lines, and lakefront redevelopment. Bus and demand response can play a roll in getting people to the trains, airplanes, jobs and recreational opportunities. The convenience of transit will increase the attractiveness of an area to vacationers, convention-goers, and other visitors.

C, Ethics Guidelines

The RBA is in the process of developing ethics guidelines and will forward when completed.